



General Assembly

Bill No. 2005

*June Special Session,
2001*

LCO No. 9201

Referred to Committee on No Committee

Introduced by:

SEN. SULLIVAN, 5th Dist.

REP. LYONS, 146th Dist.

AN ACT CONCERNING COMMUNITY MENTAL HEALTH STRATEGIC INVESTMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (a) There is established within the Department of
2 Mental Health and Addiction Services an account in the General Fund
3 to be known as the "Community Mental Health Strategic Investment
4 Fund". The account shall contain all moneys required by law to be
5 deposited in the account and shall be held separate and apart from all
6 other money, funds and accounts. Investment earnings from any
7 moneys in the account shall be credited to the account and shall
8 become part of the assets of the account. Any balance remaining in the
9 account at the end of any fiscal year shall not lapse and shall be
10 available for use for the fiscal year next succeeding.

11 (b) The account established under subsection (a) of this section shall
12 be used to provide assistance for persons with mental illness,
13 including, but not limited to, eligible households, as defined in section
14 17a-484a of the general statutes, and such persons who are

15 community-supervised offenders supervised by the executive or
16 judicial branch, and children or youth not within the care of the
17 Department of Children and Families for the development of new or
18 expanded community-based clinical and nonclinical facilities, related
19 mental health services and supportive housing for persons with mental
20 health needs.

21 (c) Within the account established under subsection (a) of this
22 section, there shall be two subaccounts: (1) A Community Mental
23 Health Restoration subaccount for the purpose of providing financial
24 assistance for new or expanded community-based mental health
25 facilities and services, including, but not limited to, rental subsidies,
26 case management, assertive community treatment teams, intensive
27 residential programs, specialized treatment programs, hospital
28 outpatient behavioral health services, regional independent living
29 grants, multicultural services, training, technical assistance and
30 evaluation, and grants to nonprofit providers for the enhancement of
31 home and community-based services for the early detection, diagnosis
32 and treatment of mental illness and emotional disturbance among
33 children and youth from birth through transition to adult services; and
34 (2) a Supportive Housing Enhancement subaccount for the purpose of
35 carrying out section 5 of this act.

36 Sec. 2. (NEW) (a) Expenditures from the Community Mental Health
37 Strategic Investment Fund established under section 1 of this act shall
38 be made in accordance with a community mental health strategic plan
39 and financial assistance plan adopted by the Community Mental
40 Health Strategy Board established under section 3 of this act on or
41 before January 1, 2002, and annually thereafter. Such strategic plan
42 shall be consistent with other applicable state plans for mental health
43 services.

44 (b) The Commissioners of Mental Health and Addiction Services,
45 Children and Families, Economic and Community Development,
46 Education, Correction, Public Health and Social Services, the Secretary

47 of the Office of Policy and Management and the Chief Court
48 Administrator shall provide such information, including, but not
49 limited to, information regarding needs assessments, program reviews
50 and program revenues and expenses, and make such
51 recommendations for expenditures from the account established under
52 section 1 of this act, as may be requested by the board.

53 Sec. 3. (NEW) (a) There is established a Community Mental Health
54 Strategy Board. The voting members of the board shall be appointed as
55 follows: (1) Two members by the Governor; (2) two members by the
56 president pro tempore of the Senate; (3) two members by the speaker
57 of the House of Representatives; (4) one member by the majority leader
58 of the Senate; (5) one member by the majority leader of the House of
59 Representatives; (6) two members by the minority leader of the Senate;
60 (7) two members by the minority leader of the House of
61 Representatives; (8) the Commissioner of Children and Families; (9)
62 and the Commissioner of Mental Health and Addiction Services, who
63 shall serve as chairperson. The Secretary of the Office of Policy and
64 Management, the Chief Court Administrator and the Commissioners
65 of Economic and Community Development, Education, Correction,
66 Public Health and Social Services, or their designees, shall serve as
67 nonvoting ex-officio members of the board. Board members shall serve
68 without compensation but shall be reimbursed for their necessary
69 expenses. All initial appointments to the board shall be made not later
70 than September 1, 2001. The Commissioner of Mental Health and
71 Addiction Services shall convene the first meeting of the board not
72 later than September 15, 2001.

73 (b) The board, by majority vote of the voting members, shall, not
74 less than annually, approve commitments and disbursements that the
75 Commissioner of Mental Health and Addiction Services may make
76 from the Community Mental Health Strategic Investment Fund
77 established under section 1 of this act for the purposes of sections 1 to
78 5, inclusive, of this act that are consistent with the community mental
79 health strategic plan adopted under subsection (a) of section 2 of this

80 act. The board may (1) designate the appropriate state agencies or the
81 Connecticut Housing Finance Authority to receive such disbursements
82 and to implement the provisions of sections 1 to 5, inclusive, of this act,
83 or (2) in conjunction with one or more state agencies or the
84 Connecticut Housing Finance Authority, issue requests for proposals
85 and request the Commissioner of Mental Health and Addiction
86 Services to enter into contracts to make disbursements and implement
87 the provisions of sections 1 to 5, inclusive, of this act. The board shall
88 designate the assignment of funds not otherwise assigned to the
89 subaccounts established under section 1 of this act as the board deems
90 appropriate.

91 (c) The board shall, not later than February 1, 2002, and annually
92 thereafter, report to the Governor and the General Assembly, in
93 accordance with the provisions of section 11-4a of the general statutes.
94 The report shall include a description of all disbursements made from
95 the account established under section 1 of this act during the prior
96 fiscal year and an evaluation of the impact of each program or service
97 receiving such disbursements with respect to its outcome and
98 effectiveness in expanding access to quality, appropriate community-
99 based mental health care.

100 (d) Within the limits of available appropriations, the Department of
101 Mental Health and Addiction Services shall provide for such staff and
102 other administrative support as may be required by the board for the
103 purposes of this act.

104 Sec. 4. (a) The Department of Mental Health and Addiction Services,
105 in consultation with the Department of Social Services, shall conduct a
106 study concerning the implementation of adult rehabilitation services
107 under Medicaid. Not later than February 1, 2002, the departments shall
108 jointly submit a report of their findings and recommendations to the
109 Governor and to the joint standing committees of the General
110 Assembly having cognizance of matters relating to public health,
111 human services and appropriations and the budgets of state agencies,

112 in accordance with the provisions of section 11-4a of the general
113 statutes. The report shall include, but not be limited to, an
114 implementation plan, a cost benefit analysis and a description of the
115 plan's impact on existing services.

116 (b) The Department of Mental Health and Addiction Services and
117 the Department of Social Services shall conduct a study concerning the
118 advisability of entering into an interagency agreement pursuant to
119 which the Department of Mental Health and Addiction Services would
120 provide clinical management of mental health services, including, but
121 not limited to, review and authorization of services, implementation of
122 quality assurance and improvement initiatives and provision of case
123 management services, for aged, blind or disabled adults enrolled in the
124 Medicaid program to the extent permitted under federal law. Not later
125 than February 1, 2002, the departments shall jointly submit a report of
126 their findings and recommendations to the Governor and to the joint
127 standing committees of the General Assembly having cognizance of
128 matters relating to public health, human services and appropriations
129 and the budgets of state agencies, in accordance with the provisions of
130 section 11-4a of the general statutes.

131 (c) Upon completion of the study and report required under
132 subsection (a) of this section, the Commissioner of Social Services shall
133 take such action as may be necessary to amend the Medicaid state plan
134 to provide for coverage of optional adult rehabilitation services
135 supplied by various providers of mental health services, pursuant to a
136 contract with the Department of Mental Health and Addiction
137 Services, for adults with mental health needs who are clients of said
138 department. For the fiscal years ending June 30, 2002, and June 30,
139 2003, any moneys received by the state as federal reimbursement for
140 optional Medicaid adult rehabilitation services shall be credited to the
141 Community Mental Health Restoration subaccount within the account
142 established under section 1 of this act and shall be available for use for
143 the purposes of the subaccount.

144 Sec. 5. (NEW) (a) The Commissioner of Mental Health and
145 Addiction Services, in collaboration with the Commissioners of Social
146 Services and Economic and Community Development and the
147 Connecticut Housing Finance Authority, shall establish a Supportive
148 Housing Pilots Initiative to provide additional units of affordable
149 housing and support services to eligible households, as defined in
150 section 17a-484a of the general statutes, and to persons with serious
151 mental health needs who are community-supervised offenders
152 supervised by the executive or judicial branch. Such housing shall be
153 permanent supportive housing or transitional living programs, and the
154 permanent supportive housing may include both individuals and
155 families with special needs and individuals and families without such
156 needs.

157 (b) The Supportive Housing Pilots Initiative shall provide up to six
158 hundred fifty dwelling units. Not later than January 1, 2002, the
159 Secretary of the Office of Policy and Management and the
160 Commissioner of Mental Health and Addiction Services shall enter
161 into a memorandum of understanding with the Departments of Social
162 Services and Economic and Community Development and the
163 Connecticut Housing Finance Authority. The memorandum of
164 understanding shall provide that: (1) A collaborative plan shall be
165 submitted with specific timetables to create up to six hundred fifty
166 dwelling units of supportive housing, which may include the
167 construction of up to three hundred new units of supportive housing;
168 (2) the Department of Social Services may provide project-based rental
169 subsidy certificates; (3) the Connecticut Housing Finance Authority
170 and the Department of Economic and Community Development shall
171 provide grants, mortgage loans and tax credits that offer a viable
172 financing package, including capitalized operating reserves, for the
173 construction of up to three hundred new units of supportive housing;
174 (4) the Department of Mental Health and Addiction Services shall
175 provide annual grants to the projects for supportive services during
176 the term of any mortgage loan; (5) there shall be a plan for private and
177 federal predevelopment financing and financing from nonstate sources

178 for grants and loans from private investment through federal and state
179 tax credit programs and federal project-based rental subsidies; and (6)
180 not later than July 1, 2002, the Connecticut Housing Finance Authority
181 shall issue a request for proposals by persons or entities interested in
182 participating in such initiative with priority given to applicants that
183 include organizations deemed qualified to provide services by the
184 Department of Mental Health and Addiction Services pursuant to a
185 request for qualifications. The Connecticut Housing Finance Authority
186 shall review and underwrite projects developed under the Supportive
187 Housing Pilots Initiative.

188 (c) Not later than January 1, 2004, the Commissioners of Mental
189 Health and Addiction Services and Economic and Community
190 Development and the Connecticut Housing Finance Authority shall
191 submit an interim status report relative to the Supportive Housing
192 Pilots Initiative established under this section to the joint standing
193 committees of the General Assembly having cognizance of matters
194 relating to public health, human services, finance, revenue and
195 bonding and appropriations and the budgets of state agencies. Not
196 later than January 1, 2006, the Commissioners of Mental Health and
197 Addiction Services and Economic and Community Development and
198 the Connecticut Housing Finance Authority shall submit a final report
199 to said committees with respect to the Supportive Housing Pilots
200 Initiative and the report shall include, but not be limited to,
201 information indicating (1) the number and location of the units of
202 supportive housing created, (2) the number of individuals served, (3)
203 the number and type of services offered, and (4) the estimated amount
204 of cost avoidance achieved as a direct result of such initiative.

205 Sec. 6. Subsection (h) of section 8-395 of the general statutes is
206 repealed and the following is substituted in lieu thereof:

207 (h) In no event shall the total amount of all tax credits allowed to all
208 business firms pursuant to the provisions of this section exceed five
209 million dollars in any one fiscal year, provided, until November first of

210 each year, one million dollars of the total amount of all tax credits
211 under this section shall be set aside for the Supportive Housing Pilot
212 Initiative established pursuant to section 5 of this act. On or after
213 November first of each year, any unused portion of such tax credits
214 shall become available for any housing program eligible for tax credits
215 pursuant to this section.

216 Sec. 7. (a) For the purposes described in subsection (b) of this
217 section, the State Bond Commission shall have the power, from time to
218 time, to authorize the issuance of bonds of the state in one or more
219 series and in principal amounts not exceeding in the aggregate ten
220 million dollars.

221 (b) The proceeds of the sale of said bonds, to the extent of the
222 amount stated in subsection (a) of this section, shall be used by the
223 Department of Economic and Community Development for the
224 purpose of providing funds for implementation of the Supportive
225 Housing Pilots Initiative established under section 5 of this act.

226 (c) All provisions of section 3-20 of the general statutes, or the
227 exercise of any right or power granted thereby, which are not
228 inconsistent with the provisions of this section are hereby adopted and
229 shall apply to all bonds authorized by the State Bond Commission
230 pursuant to this section, and temporary notes in anticipation of the
231 money to be derived from the sale of any such bonds so authorized
232 may be issued in accordance with said section 3-20 and from time to
233 time renewed. Such bonds shall mature at such time or times not
234 exceeding twenty years from their respective dates as may be provided
235 in or pursuant to the resolution or resolutions of the State Bond
236 Commission authorizing such bonds. None of said bonds shall be
237 authorized except upon a finding by the State Bond Commission that
238 there has been filed with it a request for such authorization which is
239 signed by or on behalf of the Secretary of the Office of Policy and
240 Management and states such terms and conditions as said commission,
241 in its discretion, may require. Said bonds issued pursuant to this

242 section shall be general obligations of the state and the full faith and
243 credit of the state of Connecticut are pledged for the payment of the
244 principal of and interest on said bonds as the same become due, and
245 accordingly and as part of the contract of the state with the holders of
246 said bonds, appropriation of all amounts necessary for punctual
247 payment of such principal and interest is hereby made, and the State
248 Treasurer shall pay such principal and interest as the same become
249 due.

250 Sec. 8. (NEW) (a) There is established an account to be known as the
251 Pretrial Account. The account shall contain any moneys required by
252 law to be deposited in the account and shall be a separate, nonlapsing
253 account of the General Fund. Investment earnings credited to the
254 account shall become part of the assets of the account. Any balance
255 remaining in said account at the end of any fiscal year shall be carried
256 forward in the account for the next fiscal year.

257 (b) There shall be deposited in the Pretrial Account all program fees
258 collected pursuant to subsection (c) of section 54-56g of the general
259 statutes and subsection (g) of section 54-56i of the general statutes, as
260 amended by this act, and funds appropriated in subsection (a) of
261 section 47 of house bill 7501 of the current session.

262 (c) Amounts in the Pretrial Account shall be available to fund the
263 cost of operating the pretrial alcohol and drug education programs
264 established under sections 54-56g and 54-56i of the general statutes, as
265 amended by this act.

266 Sec. 9. Subsection (c) of section 54-56g of the general statutes is
267 repealed and the following is substituted in lieu thereof:

268 (c) At the time the court grants the application for participation in
269 the pretrial alcohol education system, such person shall also pay to the
270 court a nonrefundable program fee of four hundred twenty-five
271 dollars or, if such person was charged with a violation of subdivision
272 (2) of subsection (a) of section 14-227a, where the ratio of alcohol in the

273 blood of such person was sixteen-hundredths of one per cent or more
274 of alcohol, by weight, a nonrefundable program fee of six hundred
275 dollars, except that no person may be excluded from such program for
276 inability to pay such fee, provided (1) such person files with the court
277 an affidavit of indigency or inability to pay, (2) such indigency is
278 confirmed by the Bail Commission, and (3) the court enters a finding
279 thereof. If the court denies the application, such person shall not be
280 required to pay the program fee. If the court grants the application,
281 and such person is later determined to be ineligible for participation in
282 such pretrial alcohol education system or fails to complete the assigned
283 program, the program fee shall not be refunded. All such program fees
284 shall be credited to the [General Fund] Pretrial Account.

285 Sec. 10. Subsection (g) of section 54-56i of the general statutes is
286 repealed and the following is substituted in lieu thereof:

287 (g) At the time the court grants the application for participation in
288 the pretrial drug education program, such person shall pay to the court
289 a nonrefundable program fee of three hundred fifty dollars, except that
290 no person may be excluded from such program for inability to pay
291 such fee, provided (1) such person files with the court an affidavit of
292 indigency or inability to pay, (2) such indigency or inability to pay is
293 confirmed by the Bail Commission, and (3) the court enters a finding
294 thereof. The court may waive all or any portion of such fee depending
295 on such person's ability to pay. If the court denies the application, such
296 person shall not be required to pay the program fee. If the court grants
297 the application, and such person is later determined to be ineligible for
298 participation in such pretrial drug education program or fails to
299 complete the assigned program, the three-hundred-fifty-dollar
300 program fee shall not be refunded. All such program fees shall be
301 credited to the [General Fund] Pretrial Account.

302 Sec. 11. (a) The sum of \$25,000,000 appropriated to the Department
303 of Mental Health and Addiction Services for the Community Mental
304 Health Strategic Investment Fund, for the fiscal year ending June 30,

2001, in subsection (a) of section 47 of house bill 7501 of the current session, shall be transferred to the Community Mental Health Restoration subaccount established pursuant to subdivision (1) of subsection (c) of section 1 of this act. Such funds shall not lapse on June 30, 2001, and shall continue to be available for expenditure for such purpose in the fiscal years ending June 30, 2002, and June 30, 2003.

(b) The sum of \$15,000,000 appropriated to the Department of Mental Health and Addiction Services for Supportive Housing, for the fiscal year ending June 30, 2001, in subsection (a) of section 47 of house bill 7501 of the current session, shall be transferred to the Supportive Housing Enhancement subaccount established pursuant to subdivision (1) of subsection (c) of section 1 of this act. Such funds shall not lapse on June 30, 2001, and shall continue to be available for expenditure for such purpose in the fiscal years ending June 30, 2002, and June 30, 2003.

Sec. 12. (a) The sum of \$1,500,000 appropriated to the Department of Mental Health and Addiction Services for the Housing Supports and Services account, for the fiscal year ending June 30, 2002, in section 1 of house bill 7501 of the current session, shall be transferred to the Community Mental Health Restoration subaccount established pursuant to subdivision (1) of subsection (c) of section 1 of this act. The sum of \$3,500,000 appropriated to the Department of Mental Health and Addiction Services for the Managed Service System account, for the fiscal year ending June 30, 2002, in section 1 of house bill 7501 of the current session, shall be transferred to the Community Mental Health Restoration subaccount established pursuant to subdivision (1) of subsection (c) of section 1 of this act.

(b) The sum of \$650,000 appropriated to the Department of Mental Health and Addiction Services for the Managed Service System account, for the fiscal year ending June 30, 2002, in section 1 of house bill 7501 of the current session, shall be used for hospital-based mental health programs at the discretion of the Commissioner of Mental

337 Health and Addiction Services.

338 (c) The sum of \$650,000 appropriated to the Department of Mental
339 Health and Addiction Services for the Managed Service System
340 account, for the fiscal year ending June 30, 2003, in section 11 of house
341 bill 7501 of the current session, shall be used for hospital-based mental
342 health programs at the discretion of the Commissioner of Mental
343 Health and Addiction Services.

344 Sec. 13. This act shall take effect July 1, 2001.